

Ag Resource Management Crop Production Loan

Borrower	Co-Borrower	Loan Officer	App Date
Applicant	Williamson & Williamson	Butch Bassie	9-Feb-16
Address	P.O. Box 591		
City, St, Zip	Drew, MS 38737	Interest Rate	Due Date
Phone	662-902-7976	9.5%	15-Mar-17
email			
SSN / TID	64-0888282	Loan Type	
Organization Type	Partnership	All-In	
Date of Birth	4/1/1998		
Years Farming	17	Loan Commitment	
Crops	Rice & Soybeans	ARM	\$ 923,276
Percent Irrigated	90%		
Crop Insurance Agency	ARM		

Corporate, LLC, Partnership, or Joint Venture Info

Ricky Williamson 50% and Cindy Williamson 50%

Questions

- ☒ Agree I am not a defendant in any suits or legal actions.
- ☒ Agree There are no judgements outstanding against me.
- ☐ Agree I have not been and am not now involved in bankruptcy.
- ☐ Agree I have no other affiliated entities.
- ☒ Agree I earn 100% of my income from farming operations

- ☒ Agree I am in good standing with the FSA.
- ☐ Agree I have not received any FSA Direct Payments.
- ☒ Agree I have Federal Crop Insurance in force.
- ☒ Agree I am in good standing with Federal Crop Insurance.
- ☒ Agree I have no outstanding past due Federal Crop Insurance premiums.
- ☒ Agree I have no outstanding liens on the crops involved in this loan.
- ☒ Agree I have no future crops booked or other future contract liabilities.

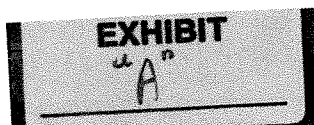
- ☒ Agree I plant my own crops.
- ☒ Agree I harvest my own crops.
- ☒ Agree I have all equipment obligations met and/or factored into the loan.
- ☒ Agree I have made provisions for all other non-requested cash outlays
- ☒ Agree I have no third-party credit available (PHI, Monsanto, FarmPlan, etc.)

Comments

Williamson & Williamson Farms, Partnership is made up of husband and wife as described above. This loan was referred to us from Jeffrey Levingston, a local bankruptcy attorney, whom I have worked with in the past. We have a great working relationship. The Williamsons have been receiving their financing through State Bank and Trust and Sanders, Inc.; however, they can not pay their 2015 loan obligation to both the bank and Sanders. The Williamsons had 300,000 bushels of stored rice that was damage when a storm hit their grain bins. The inventory was insured by Farm Bureau, but as of today they are denying the claim. The Williamsons are in the process of filing a lawsuit against Farm Bureau for dealing Bad Faith. The loss on the damaged rice is in the neighborhood of \$900,000+/- . Due to this, the Williamsons have been advised to file Chapter 11 Bankruptcy in order to continue their farming operation with the goal of repaying a portion of their carryover debts. This loan request will require an Order to Incurr debt from the Bankruptcy Court with a Superior First Priority Lien on the 2016 Crops, Crop Insurance and 2015 FSA Payments. The order will also provide for the Williamsons to use the funds from 28,595.22 bushels of soybeans from the 2015 crop stored at Louis Dryfus Grain at the port of Rosedale. This stored bushels have been verified. I have included said funds in the analysis and moved expenses to 3rd party, which will be paid from said funds. The insurance indemnity is \$853,653 with the total loan being \$923,276 for a coverage ratio of 92%; however, when adding the FSA Payments back a discounted value of 50% the coverage ratio is 104%. The cash flow is \$489,898 or 41% of investment. The exposure is \$207,337 or 21%. I recommend approval of the loan request based on all collateral conditions being met.

Collateral Conditions

AGRICULTURAL SECURITY AGREEMENT ON CROPS AND EQUIPMENT
 ASSIGNMENT OF FSA DIRECT, CCP, AND LDP PAYMENT
 ASSIGNMENT OF CROP INSURANCE
 PERSONAL GUARANTEE OF RICKY WILLIAMSON AND CINDY WILLIAMSON
 BANKRUPTCY ORDER TO INCURR DEBT WITH PRIORITY FIRST LIEN POSITION OF 2016 CROP, CROP INS.
 AND 2015 FSA PAYMENTS
 BANKRUPTCY ORDER ALLOWING THE WILLIAMSONS TO UTILIZE 2015 CROP PROCEEDS FROM THE
 SALE OF 28,595.22 BUSHELS OF SOYBEANS



applicant

Williamson & Williamson
P.O. Box 591
Drew, MS 38737

co-applicant

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terms

Interest Rate:

10%

Due Date:

15-Mar-17

projected income

	Acres/Head	Prod Yld	Price	Bk Qty	Bk Price	Harvest Adj	Rebate Adj	Prod Share	Income
Soybean	1,418.0	48	\$ 8.7500	-	\$ -	\$ -	\$ -	89%	\$ 527,764
Rice	905.5	8,670	\$ 0.1170	-	\$ -	\$ -	\$ -	82%	\$ 752,941
FSA									\$ 213,051
2015 Crop Proceeds									\$ 247,520
Total	2,323.5								\$ 1,741,276

use of funds

	ARM	n/a	3rd Party	Total
Fertilizer	\$ -	\$ -	\$ 89,645	\$ 89,645
Seed	\$ -	\$ -	\$ 153,702	\$ 153,702
Fungicide	\$ 49,121	\$ -	\$ -	\$ 49,121
Herbicide	\$ 120,143	\$ -	\$ -	\$ 120,143
Insecticide	\$ 40,658	\$ -	\$ -	\$ 40,658
Custom	\$ 81,690	\$ -	\$ -	\$ 81,690
Fuel	\$ 105,925	\$ -	\$ -	\$ 105,925
Labor	\$ 38,629	\$ -	\$ -	\$ 38,629
Repairs	\$ 32,290	\$ -	\$ -	\$ 32,290
Insurance	\$ -	\$ -	\$ 34,595	\$ 34,595
Harvesting	\$ 103,960	\$ -	\$ -	\$ 103,960
Misc/Acre	\$ 55,525	\$ -	\$ -	\$ 55,525
Cash Rent	\$ 147,721	\$ -	\$ -	\$ 147,721
Misc	\$ 70,723	\$ -	\$ -	\$ 70,723
Fees and Other	\$ 26,892	\$ -	\$ -	\$ 26,892
Commitment	\$ 923,276	\$ -	\$ 277,941	\$ 1,201,217
Estimated Interest	\$ 50,161	\$ -	\$ -	\$ 50,161
Cash Flow				\$ 489,898

insurance coverage

	Type	Option	Price	Level	MPCI	Stax/SCO	Premium	Ins Share	Ins Value
Soybean	RP	EU	\$ 8.8600	80%	\$ 232.28	\$ -	\$ 16.00	89%	\$ 273,190
Rice	RP	EU	\$ 0.1170	80%	\$ 746.21	\$ 48.96	\$ 13.15	82%	\$ 580,463
Total									\$ 853,653

	Coverage	Level	Guarantee	Premium	Net Guar	Above MPCI
Whole Farm Revenue Protection	\$ -	85%	\$ -	\$ -	\$ -	\$ -

***** Loan secured by Collateral Conditions:** \$ 923,276
***** Applicants share of crop insurance coverage less premium:** \$ 853,653
***** Crop Insurance coverage over loan:** \$ (69,623)
***** Additional estimate of collateral value less known liens**
 FSA \$ 213,051
 Indirect Income \$ 247,520
***** Loan payback break-evens:**
 Soybean 29.5
 Rice 5,353.5

Terms				Expenses				
Due Date	03/15/17			Budget	ARM	n/a	Other	Total
Loan Orig Fee	1.0%			\$	896,384	\$	-	\$ 277,941
Loan Svc Fee	2.0%			\$	8,964	\$	-	\$ 8,964
Interest Rate	9.5%			\$	17,928	\$	-	\$ 17,928
Estimated Days	215			\$	50,161	\$	-	\$ 50,161
fee on total				Total	\$ 973,436	\$	-	\$ 277,941
Y								\$ 1,251,378
fee min								\$ 330

Production History

	2015	2014	2013	3yr Avg	2012	2011	2010	6yr Avg	APH
Soybean	24	57	57	46		53		48	33
Rice	7,245	8,100	9,675	8,340	9,000	8,550	9,450	8,670	7,972

Projected Crop Income

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	Acres/Head	Prod Yld	Price	Crop Value	Bk Adj	Harvest Adj	Rebate Adj	Prod Share	Income
Soybean	1,418.0	48	\$ 8.7500	\$ 592,458	\$ -	\$ -	\$ -	89%	\$ 527,764
Rice	905.5	8,670	\$ 0.1170	\$ 918,530	\$ -	\$ -	\$ -	82%	\$ 752,941
Total	2,323.5			\$ 1,510,988	\$ -	\$ -	\$ -		\$ 1,280,705

Projected Total Income

Crop Income	\$ 1,280,705
FSA	\$ 213,051
2015 Crop Proceeds	\$ 247,520
Total Income	\$ 1,741,276

Insurance

Discounted Crop and Insurance

	Ins Share	MPCI	Stax/Sco	Ins Value	Type	Crop	MPCI	Stax/SCO	Total
Soybean	89%	\$ 273,190	\$ -	\$ 273,190	RP	\$ 263,882	\$ 34,084	\$ -	\$ 297,966
Rice	82%	\$ 544,123	\$ 36,339	\$ 580,463	RP	\$ 376,471	\$ 134,122	\$ 18,170	\$ 528,762
Total		\$ 817,314	\$ 36,339	\$ 853,653		\$ 640,353	\$ 168,206	\$ 18,170	\$ 826,728

Collateral Summary

Discounts Used

	Mkt Value	Disc Value	Prior Lien	Value	Base Disc	RP	RP-HPE	Map	Ac Rpt
Crops	\$ 1,280,705	\$ 640,353	\$ -	\$ 640,353	50%				
MPCI	\$ 817,314	\$ 168,206	\$ -	\$ 168,206	40%	-20%	-10%	-5%	-5%
Stax/SCO	\$ 36,339	\$ 18,170	\$ -	\$ 18,170	50%				
WFRP	\$ -	\$ -	\$ -	\$ -	20%				
Equipment	\$ -	\$ -	\$ -	\$ -	50%				
Real Estate	\$ -	\$ -	\$ -	\$ -	40%				
FSA	\$ 213,051	\$ 106,526	\$ -	\$ 106,526	50%				
Indirect Income	\$ 247,520	\$ 247,520	\$ -	\$ 247,520	0%				
Total	\$ 2,594,929	\$ 1,180,774	\$ -	\$ 1,180,774					

Cash Flow

Exposure

Income	\$ 1,741,276	Discounted Collateral	\$ 1,180,774
Expenses	\$ 1,251,378	Less Commitment	\$ 973,436
Cash Flow	\$ 489,898	Exposure	\$ 207,337

MPCI Insurance Coverage

	Type	Unit	Options	SE	APH	Level	Price	+SE	MPCI / ac	Prem / ac
Soybean	RP	EU			33	80%	\$ 8.8600		\$ 232.28	\$ 16.00
Rice	RP	EU			7,972	80%	\$ 0.1170		\$ 746.21	\$ 13.15

*Deduct 1% from level for each day of Late Planting allowed

Supplemental Coverage

	FSA	Stax/SCO	Loss Trig	Cov Rng	Prot Fctr	ExpYld	ExpRev	SCO / ac
Soybean	ARC-C	N	86%	6%	100%		\$ -	\$ -
Rice	PLC	Y	86%	6%	100%	6,974	\$ 815.96	\$ 48.96

Whole Farm Revenue Protection

	Count	Livestock	CAT	Growth	Coverage	Level	Guarantee	Premium	Net Guar.
Annual Income	2	0%	N	100%	\$ -	85%	\$ -	\$ -	\$ -

*Please attach Darts printout

	ARM / ac	n/a / ac	3P / ac	Total / ac	ARM total	n/a total	3P total	Total
Soybean								1,418.0
Fertilizer	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Seed	\$ -	\$ -	\$ 60.50	\$ 60.50	\$ -	\$ -	\$ 85,789	\$ 85,789
Fungicide	\$ 17.31	\$ -	\$ -	\$ 17.31	\$ 24,546	\$ -	\$ -	\$ 24,546
Herbicide	\$ 32.83	\$ -	\$ -	\$ 32.83	\$ 46,553	\$ -	\$ -	\$ 46,553
Insecticide	\$ 24.79	\$ -	\$ -	\$ 24.79	\$ 35,152	\$ -	\$ -	\$ 35,152
Custom	\$ 26.00	\$ -	\$ -	\$ 26.00	\$ 36,868	\$ -	\$ -	\$ 36,868
Fuel	\$ 30.00	\$ -	\$ -	\$ 30.00	\$ 42,540	\$ -	\$ -	\$ 42,540
Labor	\$ 10.00	\$ -	\$ -	\$ 10.00	\$ 14,180	\$ -	\$ -	\$ 14,180
Repairs	\$ 10.00	\$ -	\$ -	\$ 10.00	\$ 14,180	\$ -	\$ -	\$ 14,180
Insurance	\$ -	\$ -	\$ 16.00	\$ 16.00	\$ -	\$ -	\$ 22,688	\$ 22,688
Harvesting	\$ 35.00	\$ -	\$ -	\$ 35.00	\$ 49,630	\$ -	\$ -	\$ 49,630
Misc/Acre	\$ 20.00	\$ -	\$ -	\$ 20.00	\$ 28,360	\$ -	\$ -	\$ 28,360
Total	\$ 205.93	\$ -	\$ 76.50	\$ 282.43	\$ 292,009	\$ -	\$ 108,477	\$ 400,486

Rice								905.5
Fertilizer	\$ -	\$ -	\$ 99.00	\$ 99.00	\$ -	\$ -	\$ 89,645	\$ 89,645
Seed	\$ -	\$ -	\$ 75.00	\$ 75.00	\$ -	\$ -	\$ 67,913	\$ 67,913
Fungicide	\$ 27.14	\$ -	\$ -	\$ 27.14	\$ 24,575	\$ -	\$ -	\$ 24,575
Herbicide	\$ 81.27	\$ -	\$ -	\$ 81.27	\$ 73,590	\$ -	\$ -	\$ 73,590
Insecticide	\$ 6.08	\$ -	\$ -	\$ 6.08	\$ 5,505	\$ -	\$ -	\$ 5,505
Custom	\$ 49.50	\$ -	\$ -	\$ 49.50	\$ 44,822	\$ -	\$ -	\$ 44,822
Fuel	\$ 70.00	\$ -	\$ -	\$ 70.00	\$ 63,385	\$ -	\$ -	\$ 63,385
Labor	\$ 27.00	\$ -	\$ -	\$ 27.00	\$ 24,449	\$ -	\$ -	\$ 24,449
Repairs	\$ 20.00	\$ -	\$ -	\$ 20.00	\$ 18,110	\$ -	\$ -	\$ 18,110
Insurance	\$ -	\$ -	\$ 13.15	\$ 13.15	\$ -	\$ -	\$ 11,907	\$ 11,907
Harvesting	\$ 60.00	\$ -	\$ -	\$ 60.00	\$ 54,330	\$ -	\$ -	\$ 54,330
Misc/Acre	\$ 30.00	\$ -	\$ -	\$ 30.00	\$ 27,165	\$ -	\$ -	\$ 27,165
Total	\$ 370.99	\$ -	\$ 187.15	\$ 558.14	\$ 335,931	\$ -	\$ 169,464	\$ 505,396

Total								2,323.5
Fertilizer					\$ -	\$ -	\$ 89,645	\$ 89,645
Seed					\$ -	\$ -	\$ 153,702	\$ 153,702
Fungicide					\$ 49,121	\$ -	\$ -	\$ 49,121
Herbicide					\$ 120,143	\$ -	\$ -	\$ 120,143
Insecticide					\$ 40,658	\$ -	\$ -	\$ 40,658
Custom					\$ 81,690	\$ -	\$ -	\$ 81,690
Fuel					\$ 105,925	\$ -	\$ -	\$ 105,925
Labor					\$ 38,629	\$ -	\$ -	\$ 38,629
Repairs					\$ 32,290	\$ -	\$ -	\$ 32,290
Insurance					\$ -	\$ -	\$ 34,595	\$ 34,595
Harvesting					\$ 103,960	\$ -	\$ -	\$ 103,960
Misc/Acre					\$ 55,525	\$ -	\$ -	\$ 55,525
Cash Rent					\$ 147,721	\$ -	\$ -	\$ 147,721
EQ					\$ 70,723	\$ -	\$ -	\$ 70,723.00
Living					\$ 50,000	\$ -	\$ -	\$ 50,000.00
TOTAL					\$ 896,384	\$ -	\$ 277,941	\$ 1,174,325

Row Crop Optimizer

St / County	FSN	Prac	Landlord	Rent %	Perm	Rent/ac	Due	Waived/ac	Cash Rent	Soybean				Rice				Tot Ac
										Acres	APH	CF	Ex	Acres	APH	CF	Ex	
MS/ Talahatchie	988	Ir	Delta Agroup	28%					\$ -	553.0	.44	\$ (5.66)	\$ (23.13)	583.0	7.889	\$ 124.24	\$ 105.53	1,136.0
MS/ Sunflower	3467	Non-Ir	Sunf. Schools	0%		\$ 111.71			\$ 41,221	369.0	19	\$ (10.21)	\$ (136.04)			\$ 286.96	\$ 7.48	369.0
MS/ Sunflower	2344	Ir	Flowers	0%		\$ 135.67			\$ 106,500	496.0	34	\$ (36.23)	\$ (149.19)	289.0	8.264	\$ 260.94	\$ 184.00	785.0
MS/ Sunflower	4190	Ir	Williamson	0%					\$ -			\$ 111.11	\$ (14.73)	33.5	6.501	\$ 408.27	\$ 199.31	33.5
Total									\$ 147,721	1,418.0	33			905.5	7.972			2,323.5
										FSA		ARC-C		FSA		PLC		
										Type		RP		Type		RP		
										Level		50.0%		Level		50.0%		
										SCO		N		SCO		Y		
										AIP Mapped		N		AIP Mapped		N		
										Ins Acre Report		N		Ins Acre Report		N		